

Internal Revenue Service

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Department of the Treasury

Washington, DC 20224

Third Party Communication: None

Date of Communication: Not Applicable

Person To Contact:

, ID No.

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Refer Reply To:

CC:CORP:1

PLR-104778-08

Date:

June 04, 2008

LEGEND

Foreign Parent =

Parent =

Holdco =

Merger Sub =

Target =

Trustee =

Business A =

Federal Agency =

Federal Regulations=

Federal Statute =

Date 1 =

Date 2 =

Date 3 =

Dear :

This letter responds to a letter dated January 30, 2008 requesting a ruling under section 1504(a) of the Internal Revenue Code. Additional information was submitted in a letter dated April 17, 2008. The material information submitted is summarized below.

FACTS

Parent is the common parent of an affiliated group of corporations that join in filing a consolidated Federal income tax return. Parent operates Business A through various wholly-owned subsidiaries. Parent and its subsidiaries are indirect wholly-owned subsidiaries of Foreign Parent.

On Date 1, Holdco, as a newly-formed wholly-owned subsidiary of Parent, acquired all the outstanding stock of Target through a merger of Merger Sub, a newly-formed wholly-owned subsidiary of Holdco, with and into Target (the "Merger").

Federal Statute prohibits a Business A company from exercising control over another Business A company without prior approval of Federal Agency. In connection with the Merger, Foreign Parent filed an application with Federal Agency for approval of the acquisition of control of Target by Holdco. Upon consummation of the Merger, pending approval of the acquisition by Federal Agency, Holdco transferred all of the Target stock to an irrevocable voting trust (the "Voting Trust") as specified in Federal Regulations, pursuant to the terms of a Voting Trust Agreement (the "VTA") dated Date 2, in exchange for all the Voting Trust Certificates ("Trust Certificates").

The substantive provisions of the VTA include the following:

1. Holdco, Merger Sub, and Target irrevocably appointed Trustee as trustee. Trustee is required to be independent of Foreign Parent, Holdco or any of their affiliates as per terms of the VTA. Trustee may at any time resign upon giving required notice, whereupon Holdco may appoint a successor trustee satisfying the independence requirements of the VTA.
2. Trustee is entitled to exercise any and all voting rights regarding Target stock unless otherwise directed by an order of Federal Agency or a court of competent jurisdiction.

3. Trustee shall not vote the stock of Target so as to create a dependence or intercorporate relationship between Foreign Parent, Holdco, and their affiliates, on the one hand, and Target, on the other hand. Trustee shall not, without prior approval of Federal Agency, vote the Target stock to elect any officer, director, nominee or representative of Foreign Parent, Holdco, Merger Sub or their affiliates (other than Target) as an officer or director of Target.
4. Trustee is required to vote Target stock in favor of any proposal or action effecting the acquisition of control of Target by Holdco.
5. Trustee shall not sell, lease, assign, transfer or encumber Target stock or major assets of Target, nor is the Trustee to cause Target to merge with or into any other entity, without prior written authorization of Holdco.
6. Holdco may at any time, but only with prior written approval of Federal Agency, instruct Trustee in writing to vote Target stock in any manner, in which case Trustee is required to vote such stock as instructed.
7. Trustee must, immediately following the receipt of each cash dividend on Target stock, pay the same over to or as directed by Holdco. Trustee must receive and hold dividends and distributions other than cash on the same terms and conditions as it holds Target stock and must issue Trust Certificates representing any new or additional shares of Target stock to Holdco.
8. Holdco has the right at any time to direct the sale or other disposition of the whole or any part of the Target stock by Trustee, in which case Trustee is entitled to a certificate from Holdco that the purchaser is not an affiliate of Foreign Parent or Holdco and that the purchaser has all necessary regulatory authority, if any is necessary, to acquire such stock. Upon the order of Holdco, Trustee must promptly pay the proceeds of such sale to Holdco. Furthermore, Trust Certificates are transferable on the books of the Trustee by the registered holder in accordance with rules from time to time established by the Trustee.
9. If Federal Agency approves Target's acquisition by Foreign Parent, Holdco, or any of their affiliates or federal law is amended such that Federal Agency approval is no longer required, Trustee shall transfer, to Holdco (or such other person who may hold the Trust Certificates), all Target stock as per the VTA and the trust shall cease to exist. If Federal Agency denies approval of the Target acquisition, Holdco is required to use its reasonable best efforts to sell, or direct in writing Trustee to sell, the Target stock to one or more eligible purchasers during the two year period after the denial. If thereafter the Target stock remains unsold, Trustee is to sell the Target stock for cash to eligible purchasers in such manner and for such price as Trustee shall, in his discretion, deem

reasonable after consultation with Holdco, with proceeds to be distributed to Holdco (or such other person who may hold the Trust Certificates).

10. Unless sooner terminated pursuant to any other provision of the VTA, the VTA shall terminate on Date 3 (which date is less than 3 years from the date of this letter), except that the VTA may be extended by the parties thereto, so long as not in violation of Federal Statute.

REPRESENTATIONS

1. Parent, Holdco and Target are includible corporations within the meaning of section 1504(b).
2. Holdco is and has always been the only holder of such certificates in the Voting Trust as are or ever may have been outstanding.
3. At all times since Target's acquisition by Holdco and the Parent group—(i) Target has had only one class of stock outstanding, and (ii) there have been no warrants, options, obligations convertible into stock, or other similar interests in Target outstanding or otherwise in existence.

RULING

Holdco will be considered the owner of all the outstanding Target stock for purposes of section 1504(a), and the creation of the Voting Trust and subsequent transfer of Target's stock was not a disaffiliation event for purposes of the consolidated return rules.

CAVEATS

We express no opinion on the tax effect of any transaction or item discussed or referenced in this ruling letter under any other provision of the Internal Revenue Code and regulations, or the tax effect of any condition existing at the time of, or effect resulting from, the facts and circumstances herein described that are not specifically covered by the rulings set forth above.

PROCEDURAL STATEMENTS

The ruling is directed only to the taxpayer requesting it. Under §6110(k)(3), this ruling may not be cited or used as precedent.

A copy of this letter must be attached to any income tax return to which it is relevant. Alternatively, taxpayers filing their returns electronically may satisfy this

requirement by attaching a statement to the return that provides the date and control number of the letter ruling.

In accordance with the Power of Attorney on file with this office, a copy of this letter is being sent to your authorized representatives.

Sincerely,

Mark Weiss
Assistant to the Branch Chief, Branch 1
Office of Associate Chief Counsel (Corporate)